September 11, 2003

Risk Management

Facility Management

Facility Management

The Public Service Commission convened in the Commission Hearing Room, State Capitol, Bismarck, North Dakota, on September 11, 2003, 10:00 a.m. Present were Commissioners Clark. Wefald, and Cramer.

Minutes

Mrs. Wefald: I move the minutes of August 28, 2003, be approved.

Mrs. Wefald: I move the following bills, as reviewed

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Bills

by the Commission, be approved and paid: Ben Johnson Associates, Inc. 2,019.00 UniqueScreen Media 258.33 ND Newspaper Association 1,144.43 University of North Dakota - ND IVN 220.00 Bruce E. Beechie 403.10 Bill Eide 108.12 Bruce A. Johnson 24.00 Guy Welch 24.00 Dean K. Moos 30.00 Larry L. Larson 12.00 David Bickel 18.00 Phyllis G. Richter 849.63 William W. Binek 28.00 William E. Dodd 162.00 Kevin Hanson 690.30 Richard Fillbrandt 138.82 Stephan A. Schroeder 93.50 Mark Knell 265.22 Kelly Services, Inc. 461.20 JP Robbins 381.80 Larry Reisenauer 121.60 Kevin Cramer 120.75 Timothy A. Erdmann 245.19 Wayne Grangaard 653.54 Leo D. Praus 331.15 Presort Plus 6.97 The Kenmare News. Inc. 32.00 Williston Daily Herald 106.24 Quality Construction, Inc. 4,130.00 **NARUC** 1,275.00 Nirander M. Safaya 18.00

5,372.00

1,117.09

38.22

Bills Continued

ITD 12.00 ITD 1,636.04

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-439-03-295 Local Competition Investigation Mrs. Wefald: I move the Commission adopt the Order Granting Intervention to AT&T Communications of the Midwest, Inc. in the Public Service Commission's Local Competition Investigation, Case No. PU-439-03-295.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Case No. PU-2805-03-436 Otter Tail Corporation Michael Nelson, Casselton, ND Public Convenience & Necessity Mrs. Wefald: I move the Commission adopt the Order issuing a Certificate of Public Convenience and Necessity authorizing Otter Tail Corporation to extend electric service to Michael Nelson for a grain bin site near Mapleton, North Dakota, Case No. PU-2805-03-436.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Case No. PU-2805-03-445 Otter Tail Corporation FPL Energy North Dakota Wind II, LLC, Edgeley, ND Public Convenience & Necessity Mrs. Wefald: I move the Commission adopt the Order issuing a Certificate of Public Convenience and Necessity authorizing Otter Tail Corporation to extend electric service to FPL Energy North Dakota Wind II, LLC for wind generation facilities near Edgeley, North Dakota, Case No. PU-2805-03-445.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Case No. PU-399-03-448 Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc SRT Communications, Inc., Minot, ND Public Convenience & Necessity Mrs. Wefald: I move the Commission adopt the Order issuing a Certificate of Public Convenience and Necessity authorizing Montana-Dakota Utilities Co. to extend electric service to SRT Communications, Inc. for a microwave tower site near Tolley, North Dakota, Case No. PU-399-03-448.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Case No. PU-399-03-449 Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc Cecelia M. Veikley, Laurence & Myong Suk Veikley, Minot, ND Public Convenience & Necessity Mrs. Wefald: I move the Commission adopt the Order issuing a Certificate of Public Convenience and Necessity authorizing Montana-Dakota Utilities Co. to extend electric service to Cecelia M. Veikley, Laurence R. Veikley, and Myong Suk Veikley for a residential site near Tolley, North Dakota, Case No. PU-399-03-449.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-399-03-450 Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc Selmer Spitzer, Dawson, ND Public Convenience & Necessity

Case No. PU-2805-03-464 Otter Tail Corporation Bruce Miller, Wahpeton, ND Public Convenience & Necessity

Case No. AU-896-03-511 Chadley Hunter Smith - Auctioneer License Application

Case No. RC-2524-03-187
Public Service Commission Reclamation Division
2004 Administration & Enforcement
Grant
Application

Case No. AU-896-03-520 Martin Heinze - Auctioneer License Suspension / Revocation

Case No. PU-439-03-295
Public Service Commission
Local Competition
Investigation

Mrs. Wefald: I move the Commission adopt the Order issuing a Certificate of Public Convenience and Necessity authorizing Montana-Dakota Utilities Co. to extend electric service to Selmer Spitzer for a residential site near Dawson, North Dakota, Case No. PU-399-03-450.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Mrs. Wefald: I move the Commission adopt the Order issuing a Certificate of Public Convenience and Necessity authorizing Otter Tail Corporation to extend electric service to Bruce Miller for a residential site near Wahpeton, North Dakota, Case No. PU-2805-03-464.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Mrs. Wefald: I move the Commission approve the auctioneer license application for Chadley Hunter Smith, Ray, North Dakota.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Mrs. Wefald: I move the Commission submit an amendment to the 2004 Administration and Enforcement Grant Application to the Office of Surface Mining to reduce the amount of the grant for funding the coal mining regulatory program.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Mrs. Wefald: I move the Commission issue an order in Case No. AU-896-03-520 suspending auctioneer license number 724 of Martin Heinze, Dazey, North Dakota, for lack of adequate bond coverage and issue a Notice of Opportunity for Hearing on the matter.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Mr. Clark: I move the Commission adopt the Order Granting Trade Secret Protection to Qwest Corporation in the Public Service Commission's Local Competition Investigation, Case No. PU-439-03-295.

Mrs. Wefald: I second the motion.

Roll Call: All voting "Aye."

Case No. GE-439-03-385 vs Edward F & Kathleen A Walton dba Walton Ag Svc Complaint Assessing Fine

Case No. GE-2905-03-429 Walton Ag Services, Inc. dba Walton Ag Services Grain Warehouse - Englevale, ND License Application

Case No. GE-2636-03-515
Bentley Equity Exchange
License No. 285 - Bentley, ND
Suspension/Revocation
Notice of Opportunity for Hearing

Case No. PU-439-03-468 FERC - ER03-1118-000 Intervention

Case No. PU-2805-03-487 Otter Tail Corporation September 2003 Fuel Cost Adjustment Mr. Clark: I move the Commission assess a five thousand dollar fine against Edward F. & Kathleen A. Walton, dba Walton Ag Services, in Case No. GE-439-03-385 for the company's failure to apply for and receive the required warehousing or grain buying license. All but two thousand five hundred dollars of this fine is suspended pending compliance with all state grain warehousing or grain buying laws for the next two years.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Mr. Clark: I move the Commission issue an order in Case No. GE-2905-03-429 granting the request of Walton Ag Services, Inc. dba Walton Ag Services to operate a 41,000-bushel grain warehouse at Englevale, North Dakota, effective August 29, 2003. I further move that the Cease & Desist Order dated July 2, 2003 is canceled.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Mr. Clark: I move the Commission issue an order in Case No. GE-2636-03-515 automatically suspending warehouse license number 285 of Bentley Equity Exchange, Bentley, North Dakota, effective September 8, 2003, for lack of an adequate bond filing and issue a Notice of Opportunity for Hearing on the matter.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Mrs. Wefald: I move the Commission intervene in the captioned proceeding before the Federal Energy Regulatory Commission concerning the application of the Midwest Independent System Operator, Inc. for approval of its proposed Open Access Transmission Energy Market Tariff, FERC Docket No. ER03-1118-000, PSC Case No. PU-439-03-468.

Mr. Clark: I second the motion. Roll Call: All voting "Aye."

Mrs. Wefald: I move the Commission approve Case No. PU-2805-03-487, Otter Tail Corporation's Electric Fuel Cost Adjustment for September 2003.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

Case No. PU-399-03-491 Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc September 2003 Fuel Cost Adjustment

Case No. PU-400-03-500 Northern States Power Company September 2003 Fuel Cost Adjustment

Case No. RC-822-03-213 BNI Coal, Ltd Revision No. 10, Permit BNCR-9702 Approval

Case No. PU-2280-00-200
Otter Tail Power Company/Northern
States Power Co.
230 kV Transmission Line/Pierce,
Rolette County
Siting Application

Case No. PU-401-99-586
Otter Tail Power Company
230 Kv Transmission Line/Pierce Wells
Cty
Siting Application

Case No. PU-400-03-505 Northern States Power Company September 2003 Purchased Gas Adjustment

Case No. AM-2919-03-510 AML Coal Fire Suppression Grant Application Mrs. Wefald: I move the Commission approve Montana-Dakota Utilities Co.'s fuel cost adjustment for September 2003, Case No. PU-399-03-491.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Mrs. Wefald: I move the Commission approve Northern States Power Company's fuel cost adjustment for September 2003, Case No. PU-400-03-500.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Mrs. Wefald: I move the Commission approve Revision No. 10 to Surface Coal Mining Permit No. BNCR-9702, held by the BNI Coal, Ltd. for the Center Mine, to change the postmining land use on 67.95 acres to industrial for an inert waste disposal facility in Section 3, T141N, R84W, and to update mining and reclamation plans in response to the recent midterm permit review.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Mrs. Wefald: I move the Commission acknowledge its August 29, 2003, letter to Otter Tail Corporation and Northern States Power Company regarding the need for certificates of public convenience and necessity for these two transmission lines, Case No. PU-401-99-586 and Case No. PU-2280-00-200.

Mr. Cramer: I second the motion. Roll Call: All voting "Aye."

Mr. Cramer: I move the Commission approve Northern States Power Company's cost of gas adjustment for September 2003, Case No. PU-400-03-505.

Mr. Clark: I second the motion. Roll Call: All voting "Aye."

Mr. Cramer: I move the Commission submit a grant application to the Office of Surface Mining Reclamation and Enforcement, to acquire federal funds to extinguish coal outcrop fires in North Dakota.

Mr. Clark: I second the motion. Roll Call: All voting "Aye."

Probation Completed

Mrs. Wefald: Based upon her satisfactory completion of a six-month probationary period, I move that Sheila Hanson be given a salary increase effective September 1, in an amount consistent with the terms set forth in the Commission's 2/1/03 offer of employment.

Mr. Cramer: I second the motion.

Roll Call: All voting "Aye."

THE COMMISSION ADJOURNED AT 11:47 A.M.

Executive Secretary TONY T. CLARK, PRESIDENT